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ABSTRACT

In addition to higher education programs, tribal colleges offer welfare-to-work programs, adult education, vocational and agricultural training, and childcare, which makes their costs higher than those of conventional colleges. Most tribal colleges are small, resulting in higher than average per student costs. Tribal colleges charge an average of 52 percent more for tuition than the average 2-year college. Since tribal colleges are located on reservations, they are not eligible for state and local funds. The bulk of their funding comes from federal appropriations and grants. Tribally controlled community colleges receive core funding through the Department of Interior under the Tribally Controlled College or University Assistance Act of 1978. The American Indian Higher Education Consortium wrote and lobbied for passage of this act and lobbied to have tribal colleges added to the list of land-grant colleges, allowing them to share projects, resources, funding, and information with other land-grant institutions. Title III of the Higher Education Act of 1965 allots funds to some tribal colleges to help raise their academic quality and their institutional, management, and fiscal stability. Only five tribal colleges receive funds from gaming, and these amounts are small and irregular. Tribal colleges are eligible for a variety of state and federal grants; several of those are also available to any institution of higher education that teaches Native American students. Tribal college presidents started the American Indian College Fund to provide scholarships for Indian students. (TD)

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FINANCING OF TRIBAL COLLEGES

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Financing of Tribal Colleges

INTRODUCTION

Tribal Colleges have been around for a relatively short time compared with traditional American institutions that have been around since the early seventeenth century. Their history is relatively short and still in a state of flux. In order to be classified as a Tribal College, an institution must have at least fifty one percent Native American students. In just a short time, tribal colleges have had a major impact on the lives of Native Americans.

The first tribal college was founded in 1968 in Arizona by the Dine organization and called Navajo Community College. The Dine organization was a group of Native American political and education leaders who recognized the need for a tribal college to be located on a Native American reservation. The Dine organization realized that education held the key to a better life for Native Americans. According to the Department of Education's data on tribal colleges:

In the late 1960s, American Indians faced some dismal statistics. Out of one hundred students:

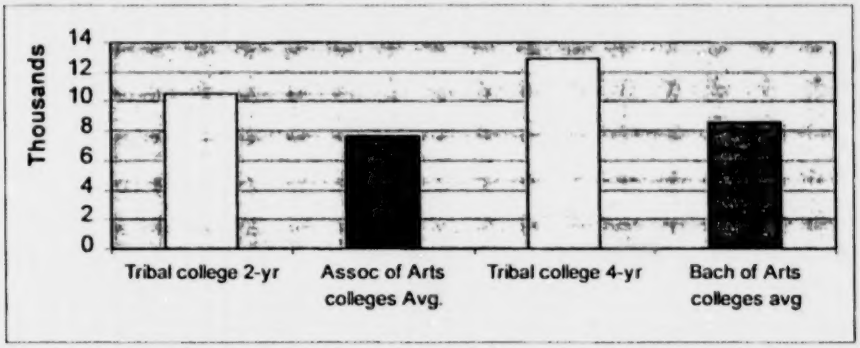
- 56 would become high school drop-outs;
- 44 would graduate from high school;
- of those, only 6 to 7 would go on to college;
- 4 to 5 of those would drop out after one year or less, leaving only one or two to graduate with a 4-year degree;
- if either decided to pursue an advanced degree he or she had less than a 10 percent chance of succeeding. (U.S. Dept. of Ed. OPE Tribal Colleges data).

More than half of all American Indians living on reservations live below the poverty level. Some estimates put this number as high as eighty five percent. With these grim statistics in mind, tribal colleges were established to help Native Americans on the isolated reservations.

One of the missions of the tribal colleges is to preserve the traditions and cultures of the tribal affiliates. Each of the tribal colleges is affiliated with a different tribe and therefore has a different language and different cultural traditions. Additionally, several of the tribal colleges are now land-grant colleges with agricultural programs. Depending on what part of the country the college is located in may determine the focus of the agricultural teachings, i.e., in the Pacific Northwest the focus is on the fishing industry.

The tribal colleges try to serve their communities in a number of ways. Rather than functioning only as an institution of higher education, tribal colleges also offer welfare to work programs; adult education; vocational certificates; agricultural programs; and childcare. Their task is much greater than just higher education. Additionally, the costs are also much higher. Most of the Tribal colleges are small, with enrollments between two hundred and one thousand. This leaves the institution with a small number of students to allocate their costs to, resulting in higher than average per student costs, as reflected in Chart 1. The high school drop out rate has been high on Indian reservations, so the tribal colleges have many remediation programs to help the students complete their high school programs and prepare them for a successful college career. Diabetes, drug and alcohol problems have plagued the reservations for some time. Tribal Colleges have implemented programs to aid families in learning about and coping with addictions and dietary problems. One Tribal College has worked with the Department of Agriculture in the commodity food program to enhance the services to Indians on reservations.

Chart 1: Expenditures of public degree-granting institutions per full-time-equivalent student 1996-97



Source: U.S. Department of Education, National Center for Education Statistics, *Digest of Education Statistics*: 1999, table 340.

Most of the tribal colleges are two-year certificate and degree granting institutions. Of the thirty-two tribal colleges, six offer baccalaureate degree programs and two offer master's degrees. The programs are grounded in the language and cultural traditions of the founding tribes so the curriculum can differ from college to college. Additionally, each college designs programs to meet the needs of the tribal members and the community it serves. All of the colleges have articulation agreements with four-year institutions. Each of the institutions is either fully accredited or in the process of being accredited. Accreditation is necessary for federal funding.

Very few of the colleges can afford to house students, so the student population must be able to commute to and from

classes on a daily basis. Only eight of the colleges provide housing and only six provide a board or meal plan. This can create a hardship for many students. According to a publication from the Department of Education, a student may travel anywhere from 15 to 85 miles to attend a tribal college. The remote location of Tribal colleges and the reservations present a problem of access to those who can benefit from the education. Not having reliable access to dependable transportation can hamper many students from attending college.

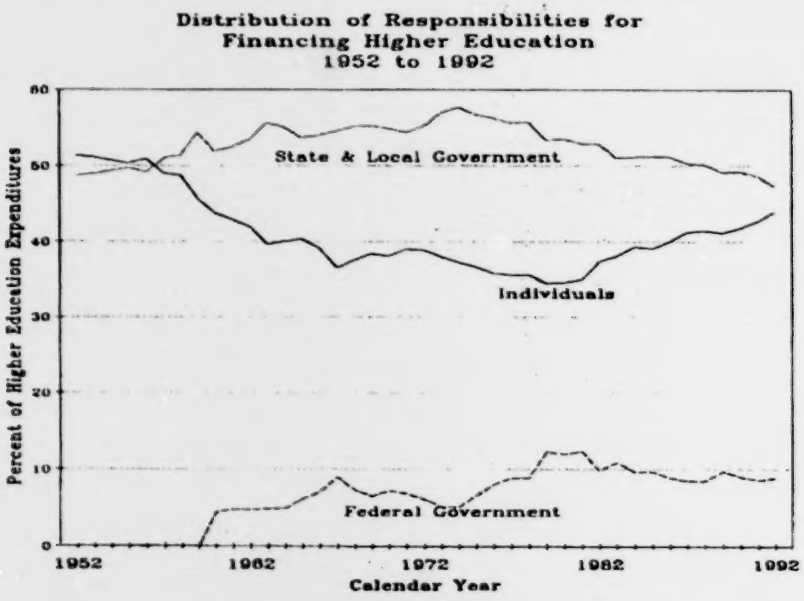
Currently, there are four types of tribal colleges. A *Tribally Controlled Community College* is created and charted by a federally recognized Indian tribe. These institutions are all located on Indian reservations. Another type of tribal college is the *Tribally Controlled Vocational Technical Institutions*. These institutions must be chartered by one or more federally recognized Indian tribes and they are funded under the Carl D. Perkins Vocational and Applied Technology Act. Currently, there are two institutions that fall under this heading, Crownpoint and United Tribes Technical College. A third type of Tribal College is owned and operated by the *Bureau of Indian Affairs (BIA)*; this would include Haskell Indian Nations University and Southwestern

Indian Polytechnic Institute. They receive special funding through the BIA. A fourth type of Tribal College is one that is *Congressionally chartered* and governed by a board of trustees appointed by the president. The Institute of American Indian Arts located in New Mexico is the only institution chartered by Congress.

INSTITUTIONAL FINANCING

Tribal Colleges have different funding streams from other institutions. As sovereign nations, they do not reside on state or local lands so they are not eligible for state and local funds. Therefore none of the property or state taxes collected for distribution to higher education are allotted to tribal colleges. As Chart 2 indicates, State governments contribute almost fifty percent of the financing of higher education. Without this funding, the burden on the tribal colleges is great. Many of the tribal colleges are on run down former military facilities in need of repair, or other run down facilities. However, funds are spent on educational needs rather than facilities.

Chart 2: Responsibility for Financing Higher Education 1952 to 1992



Source: Postsecondary Education OPPORTUNITY January 1994.

The bulk of the funding for tribal colleges comes from federal appropriations and federal grants. As Charts 4 and 5 indicate, this varies greatly from the funding sources for other institutions. Tribal colleges receive approximately eighty eight percent of their funding from federal sources whereas other public institutions receive only eleven percent from federal sources. Another problem with federal funding is the difference between the funds authorized and the funds appropriated. For institutions that depend on federal funding for a major source of revenues, this

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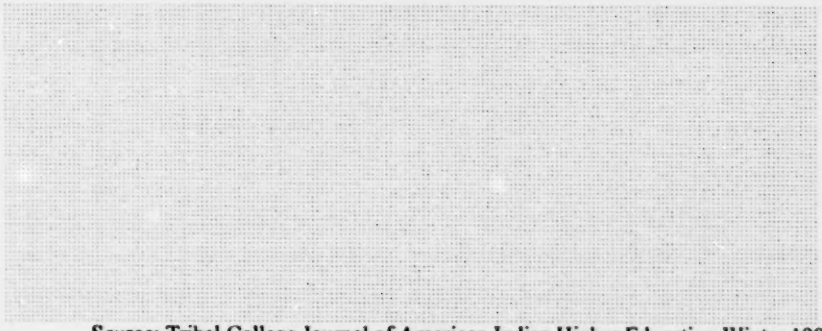
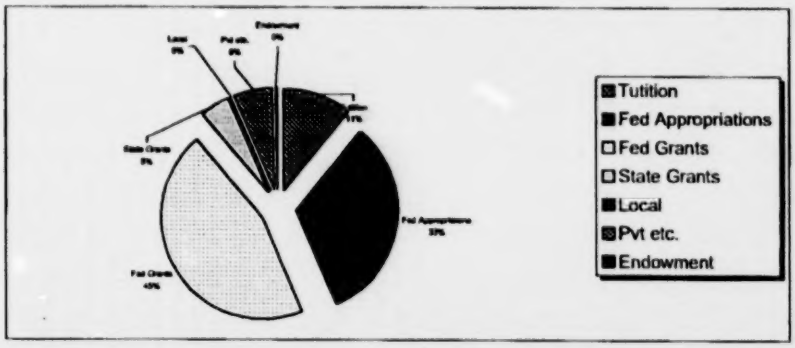
can hamper their survival. As Chart 3 illustrates, the difference between amounts authorized and amounts appropriated is great.

Chart 3: Authorized versus appropriate federal funding.



Source: Tribal College Journal of American Indian Higher Education Winter 1994-1995.

Chart 4: Tribal College revenue sources



Source: U.S. Department of Education, National Center for education Statistics, IPEDS data survey 1990.

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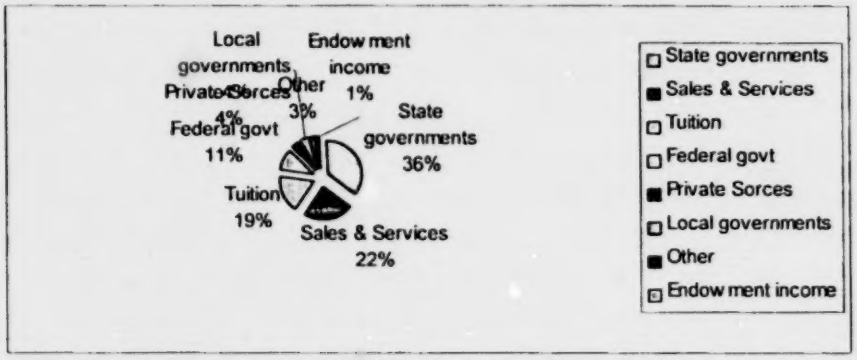
Chart 5: Sources of current-fund revenues for public institutions of higher education 1995-96



Source: U.S. Department of Education, National Center for education Statistics, Digest of Education Statistics 1999/ Chapter 3 - Figure 18.

Tribal colleges receive funding from a variety of federal sources. Tribally Controlled Community Colleges receive their core funding through the Department of Interior under the Tribally Controlled College or University Assistance Act of 1978 (TCCUAA). The American Indian Higher Education Consortium (AIHEC) was responsible for writing and lobbying for passage of this act. This act provides permanent funding for Tribal Colleges. One of the requirements is that eligible institutions be a member of AIHEC in order to participate in this funding source. This act is administered by the Bureau of Indian Affairs, and has several requirements that must be met in order to qualify for this funding. The eligible institution must be:

(1) formally controlled, or formally sanctioned, or chartered, by the governing body of an Indian tribe or tribes, except that no more than one such institution shall be recognized with respect to any such tribe...(2) is governed by a board of directors or board of trustees a majority of which are Indians;(3) demonstrates adherence to stated goals, a philosophy or a plan of operation which is directed to meet the needs of Indians; (4) and if in operation for more than a year, has students a majority of whom are Indians (Godchild p.685).

Another requirement of this act is that the eligible college must be an institution of higher education. This has lead to the accreditation of each of the tribal colleges to secure the needed funds for development and technical assistance as promised by the Act. Accreditation is seen as proof that a college is indeed an institute of higher education. Accreditation also aids students when they are ready to transfer to four-year institutions or continue their education at another college. Accreditation gives credibility to the course work and the institution.

The TCCUAA has several sections that authorize funding for various purposes, and is funded through the Department of the Interior.

- Title I is formula funded based on the number of Indian students enrolled, no funds are distributed for non-Indian students. This can be a hardship to Tribal Colleges as many of them have open enrollment policies and have substantial numbers of non-Indian

students in their programs. The initial authorization was $6,000 per Indian student with a maximum total amount of $40 million. However, in 1990 the appropriated amount was approximately $2,300 per student, as of 1999 the amount was $2,948 per student.

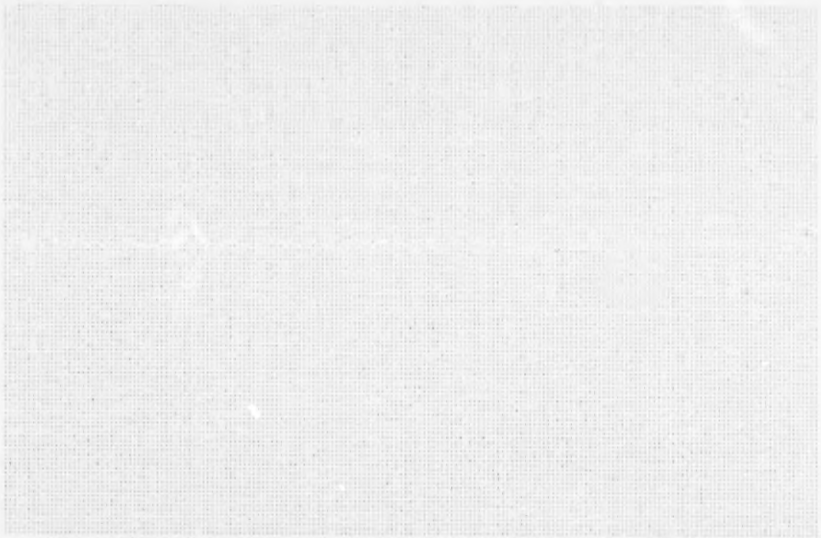
- Title II provides funding for core operations for Dine College. The Navaho tribe has two institutions so Dine, as the second eligible college, would not be eligible for funding under Title I as funding is limited to only one college per tribal affiliation. This title was written specifically for Dine College.

- Title III provides matching funds for endowment grants and is authorized at $10 million. However, appropriations have never surpassed $1 million. This is one area where Tribal Colleges are somewhat representative of other public two-year institutions. Endowment is difficult to raise for young institutions with a small number of alumni to help support the college. Public two-year institutions have a similar problem. Looking at Charts 4 and 5, we see that Tribal Colleges get less than one percent of their revenue from endowment and other public two-year institutions get only one percent of their revenue from endowment.

- Title IV provides funding to finance local economic development projects. Funds are authorized at $2 million, however funding has never been appropriated.

- Additional funds are authorized for Facilities Renovation and Technical Assistance. This is a crucial area of need as many Tribal Colleges began in abandoned military bases or other run down facilities and are in dire need of renovation, as illustrated in the following picture.

Illustration 1: Blackfeet Community College 1991



Source: Tribal College Journal of American Indian Higher Education Winter 1995-'96 p. 9.

In 1994, AIHEC lobbied the federal government to have the Tribal Colleges added to the list of land-grant colleges. This status allows the Colleges to share projects, resources, funding, and information with other land-grant colleges such as Massachusetts Institute of Technology, Cornell University, the seventeen Historically Black Colleges and Universities, and the Universities of California. The land-grant institutions receive annual equity grants of $50,000 per institution. These funds are aimed at strengthening agricultural and natural resources. The 107 Colleges

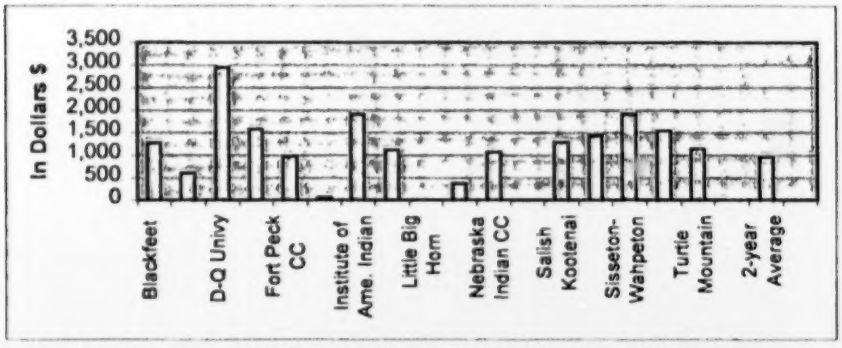
share the interest from an endowment fund that receives $4.6 million annually. Additionally, each of these colleges may compete for funding for extension programs. These funds can aid the tribal reservations in developing and nurturing the millions of acres of agricultural land they share.

Title III of the Higher Education Act of 1965, Strengthening Developing Institutions, allots funds to some Tribal Colleges. In 1999, Tribal Colleges will have a separate section authorized at $10 million with appropriations of $3 million. These funds are intended to help raise the academic quality, institutional, management, and fiscal stability of the developing institutions. According to the Department of Education, one-year planning and five-year development grants are awarded. In FY 1999, tribally controlled colleges were awarded $15 million in grants out of a total of $60 million.

Tuition is another source of revenues for Tribal Colleges. As you can see from Chart 6, tribal colleges charge an average of fifty-two percent more for tuition than the average for two-year colleges. This is especially difficult considering the poverty levels of the reservation community the Tribal Colleges serve. It is estimated that "...85 percent of all tribal college students live in

poverty" (U.S. Dept. of Ed. OPE Tribal Colleges data). The variance in the amount of tuition a college charges may be related to how long the college has been in existence. For example, Dine Community College, formerly Navaho Community College and Haskell Indian Nations University are the two oldest institutions and they have the lowest tuition charges.

Chart 6: Tuition and fees for Tribal Colleges and the average for 2-year colleges



Source: U.S. Department of Education, National Center for Education Statistics, IPEDS survey 1990 and Table 317 prepared August 1999.

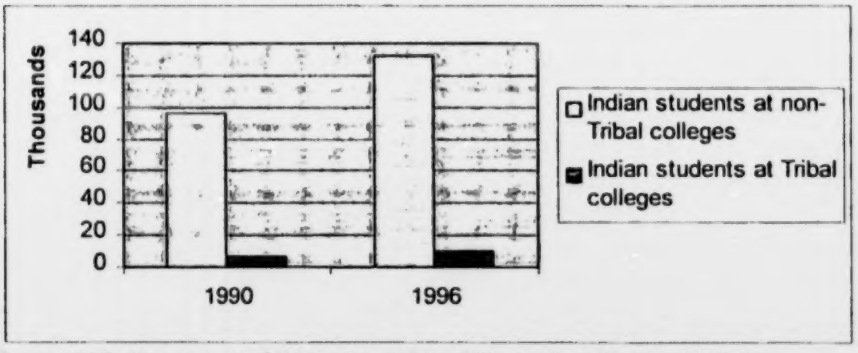
A common misconception is that Tribal Colleges receive considerable funds from gaming. In fact, only five of the Tribal Colleges receive any funds from gaming and these amounts are small and irregular. Tribes with gaming activities do not necessarily share their wealth with other tribes. Tribes are sovereign entities and keep most of their funds for use on their

reservations. Of the tribes that have gaming establishments, two tribes account for one-third of the gaming revenues and neither tribe has chartered a tribal college. Most of the tribal colleges are located on remote reservations, whereas the most profitable gaming reservations are in or near major urban areas.

Tribal Colleges are also eligible for a variety of state and federal grants for specific purposes. An example of state support is South Dakota. South Dakota State University is working with reservation high schools and the five tribal colleges on a 2+2+2 program; two years at a reservation high school; two years at a tribal college; and two years at South Dakota State University to complete a baccalaureate degree. The programs offered include agriculture, biology and family and consumer sciences. The goal is to educate Indian students to be able to address some of the pressing needs of the reservation. In the Federal Register dated April 28, 2000, there are two grant programs available aimed at Indian education programs. It is interesting to note that these grants to train Indian teachers and other Indian professionals are available to any institution of higher education that teaches Native American or Native Alaskan students. In the comments section, there were many suggestions concerning the access to these funds by non-

native institutions. Suggestions were submitted requesting that the funds be restricted to only Tribal Colleges. The reply was that only a fraction of the Indian students attend Tribal Colleges and by denying non-native institutions to apply for these grants, they would be denying access to a large number of Indian students. See Chart 7. Although less than ten percent of the Indian students attend Tribal colleges, it is encouraging to see the total numbers of Indian students attending college is increasing. The Indian Education Act also funds several programs aimed at providing training for educational personnel to serve American Indian and Alaska Native students. This Act has provisions for reauthorization.

Chart 7: Comparison of Indian Fall Enrollment, 1990 and 1996



Source: U.S. Department of Education, National Center for education Statistics, 1990-1997.

Two other resources should be mentioned when looking at funding sources for tribal colleges, AIHEC and the American Indian College Fund. AIHEC was founded by the original six tribal college presidents in an effort to form a consortium that would provide shared resources that would benefit all of the institutions. Although AIHEC does not fund colleges directly, it is responsible for much of the federal funding that has come along in the past twenty years, including the TCCUAA of 1978 and the designation of land-grant status to tribal colleges. A more recent development is the successful Presidential Executive Order establishing the White House Initiative on Tribal Colleges and Universities. One of the aims of this project is to increase the resources available to tribal colleges by increasing access to various federal funding sources.

After the success of AIHEC, the tribal college presidents started the American Indian College Fund to provide scholarships for Indian students. Both of these organizations have been and continue to be instrumental in helping to fund higher education for Native Americans and in lobbying the federal government for additional funding. An interesting fact about AIHEC is this

organization was founded by the tribal college presidents and continues to be governed by this body.

OUTCOMES

The typical tribal college student is a single Indian woman who attends part time. "On average, 75 to 85 percent of tribal college graduates either go on to earn a 4-year degree or become employed in the local community" (Dept. of Ed. OPE-Tribal Colleges). Between 1980 and 1990, the numbers of Native Americans who completed high school increased from an average of 56 percent to 66 percent. The statistics vary from tribe to tribe, with a high-end high school graduation rate of 94 percent to a low of 29 percent. As to college completion rates, a "1983 AIHEC survey found a 75 percent greater completion rate among Indian students who completed a course of study at a tribal college before going on to a 4-year degree program at a nontribal institution than among Indian students who went directly to 4-year institutions" (U.S. Dept. of Ed. NCES Education Statistics Quarterly). Additionally, unemployment for college graduates is less than twenty percent where the unemployment rate on reservations can be as high as eighty-five percent.

CONCLUSION

It would seem that the tribal colleges have had an impact on the entire reservation from high school graduation and employment, to health education and nutrition. In the true sense of Native American culture, the tribal colleges seek a holistic approach to education, including young children and tribal elders in the process. It appears that tribal colleges can be instrumental in helping tribal members to overcome poverty; high unemployment, diabetes, alcohol addiction, and most of all give the tribal members hope for the future. The tribal colleges are aware of the problems on their reservations and are willing and able to search out resources to help their communities. In this respect, they provide a service unequaled in any other educational setting. It is apparent from this study that tribal colleges have been able to accomplish a great deal with limited funding and are a major force in the economic development of Native American reservations. The tribal colleges seek to continue to improve the lives of Native Americans and gain self-reliance through tribal education.

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